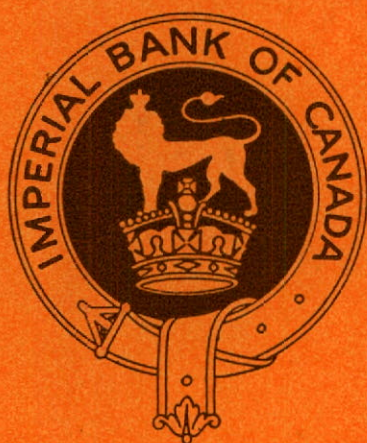




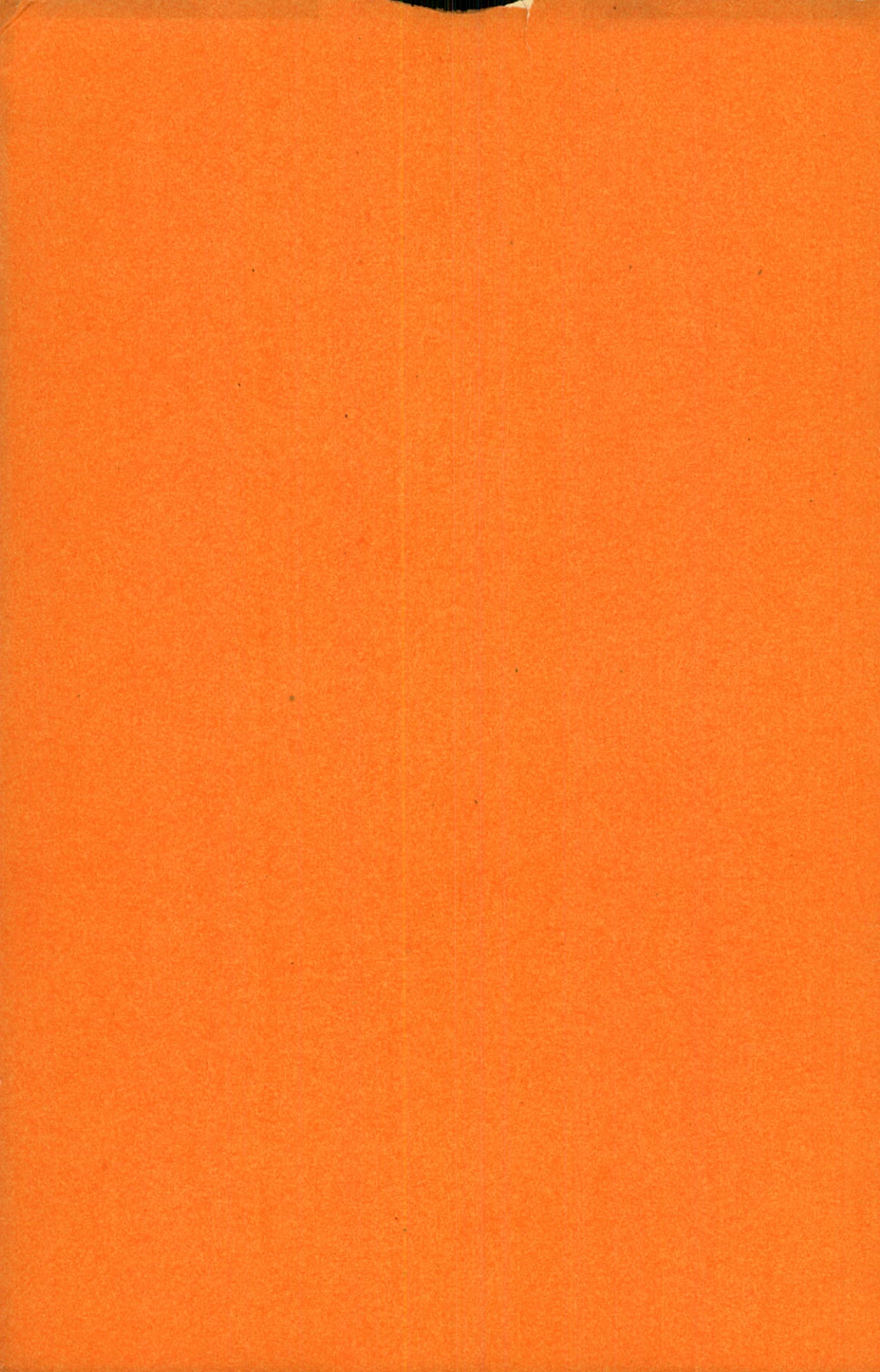
IMPERIAL BANK OF CANADA

FIFTY-SEVENTH
ANNUAL REPORT
PRESENTED TO THE
SHAREHOLDERS
NOVEMBER 25th
1931

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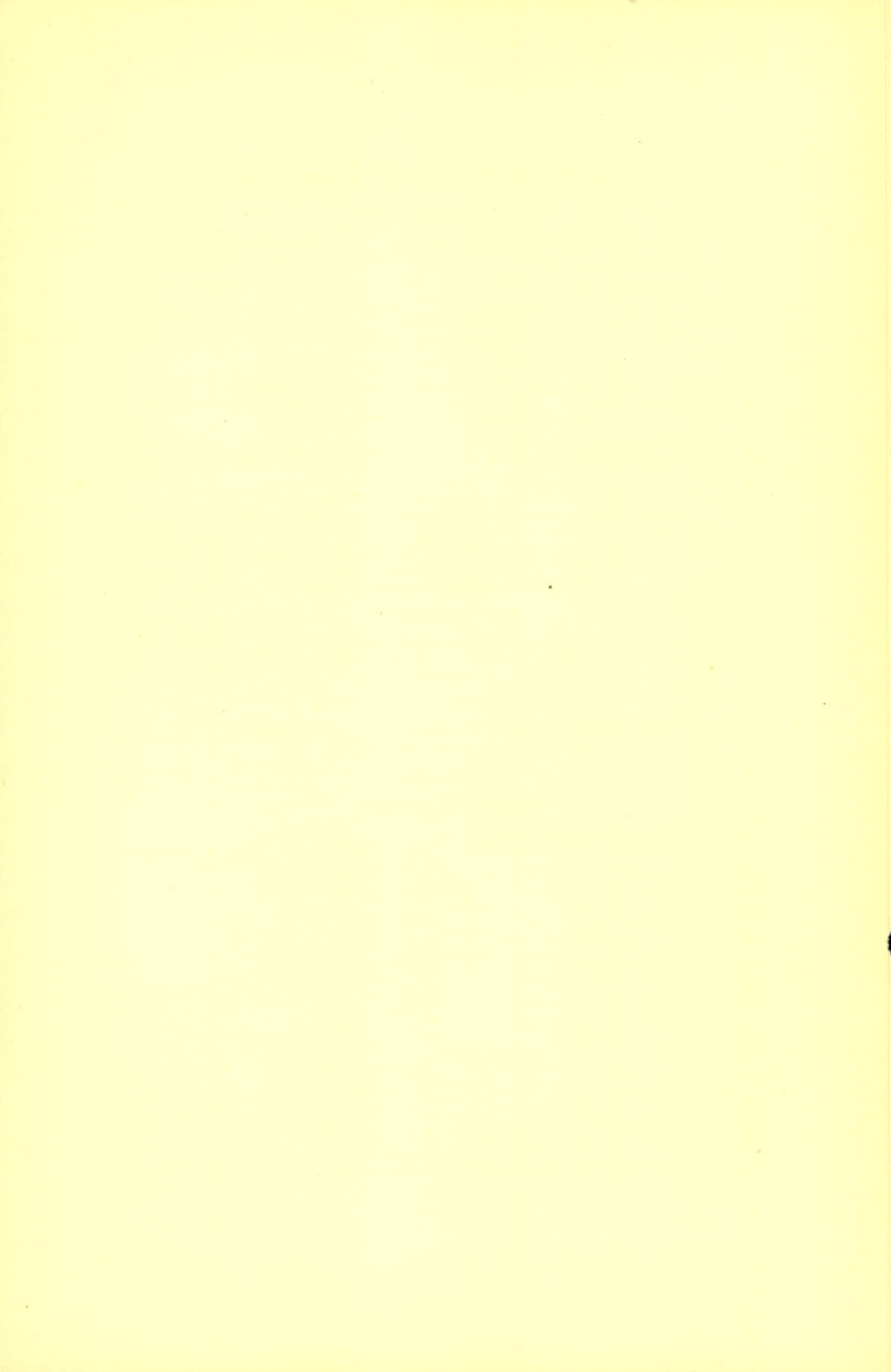
Imperial Bank of Canada

Head Office: Toronto

Established 1875

CAPITAL AUTHORIZED	.	\$10,000,000.00
CAPITAL PAID UP	. .	7,000,000.00
RESERVE FUND	. .	8,000,000.00

Fifty-Seventh Annual Report
1931



Imperial Bank of Canada

ESTABLISHED 1875

CAPITAL (AUTHORIZED) - - - - -	\$10,000,000.00
CAPITAL (PAID UP) - - - - -	7,000,000.00
RESERVE FUND - - - - -	8,000,000.00

DIRECTORS

FRANK A. ROLPH, PRESIDENT

COL. J. F. MICHIE, R. S. WALDIE, VICE-PRESIDENTS

G. C. HEINTZMAN J. W. HOBBS WALTER C. LAIDLAW
JOHN A. NORTHWAY A. E. PHIPPS G. H. AIKINS, K.C. (Winnipeg)
H. E. SELLERS (Winnipeg) R. O. McCULLOCH (Galt)

HEAD OFFICE, TORONTO

A. E. PHIPPS, GENERAL MANAGER
H. T. JAFFRAY, ASSISTANT GENERAL MANAGER
W. G. MORE, SECRETARY AND SUPERINTENDENT OF BRANCHES
A. L. OGDEN, CHIEF INSPECTOR
G. D. RITCHIE, WESTERN SUPERINTENDENT (Winnipeg)
E. K. BOULTBEE, GENERAL SUPERVISOR
W. BOURKE, ASSISTANT CHIEF INSPECTOR

SUPERVISORS

H. C. HOUSTON B. E. HOWARD
W. G. LAIRD P. H. JONES
A. YOUNG

INSPECTORS

A. C. ROME J. THOMSON P. W. PAIN
H. RILEY R. M. VIRTUE

BRANCHES

PROVINCE OF ONTARIO

TORONTO—

WELLINGTON & LEADER LANE (HEAD OFFICE).....	A. R. MARTIN.....	Manager
ADELAIDE & VICTORIA STS.....	E. N. BATE.....	Assistant
BATHURST & DUPONT STS.....	R. G. WILKINSON.....	"
BAY & TEMPERANCE STS.....	L. R. ANDERSON.....	"
BLOOR & BATHURST STS.....	A. H. SEGUIN.....	"
BLOOR & DURIE STS.....	K. G. MIGHT.....	"
BLOOR ST. & LANSDOWNE AVE.....	A. STIRLING.....	"
No. 78 CHURCH ST.....	J. W. WILLIS.....	"
CHURCH & CARLTON STS.....	W. WALLACE.....	"
DANFORTH & CARLAW AVES.....	F. TURNER.....	"
DAVISVILLE.....	D. N. WRIGHT.....	"
DUNDAS & BLOOR STS.....	A. H. WILSON.....	"
DUNDAS & JARVIS STS.....	S. S. JONES.....	"
DUNDAS ST. & UNIVERSITY AVE.....	A. T. SMITH.....	"
DUNDAS & VICTORIA STS.....	D. G. P. FORBES.....	"
EGLINTON AVE. & MOUNT PLEASANT ROAD.....	E. J. CASE.....	"
KING & BAY STS.....	H. G. WATERS.....	Acting
KING & MARKET STS.....	W. M. SELLENS.....	"
KING & SHERBOURNE STS.....	H. A. INGLIS.....	"
KING ST. & SPADINA AVE.....	C. G. GREEN.....	Acting
KING & YORK STS.....	W. H. COGHILL.....	"
KINGSTON ROAD & BALSAM AVE.....	E. H. ANDERSON.....	"
LEASIDE.....	J. B. ATKINS.....	"
MONARCH PARK & DANFORTH AVES.....	T. GRIEVE.....	"
	H. T. BEATY.....	"

TORONTO—(Cont.)

NEW TORONTO.....	P. E. THOMLINSON.....	Manager
OAKWOOD AVE. & ROGERS RD.....	T. M. SUTTON.....	"
OLD WESTON ROAD & KEELE ST.....	D. L. McLELLAN.....	"
PAPE & SAMMON AVES.....	B. B. VALE.....	"
QUEEN & BATHURST STS.....	J. M. HOUSTON.....	"
QUEEN ST. & CARLAW AVE.....	L. T. CHARLTON.....	"
QUEEN ST. & KINGSTON RD.....	H. S. HADGRAFT.....	"
QUEEN ST. & RONCESVALLES AVE.....	H. A. CROSS.....	"
RUNNYMEDE & ANNETTE STS.....	W. H. GREEN.....	"
ST. CLAIR & BOON AVES.....	W. W. FIELD.....	"
ST. CLAIR AVE. & RUNNYMEDE RD.....	J. S. CARTER.....	"
SILVERTHORN AVE. & ROGERS RD.....	M. J. GOULD.....	"
WELLESLEY & SHERBOURNE STS.....	K. H. LOVE.....	"
WEST TORONTO.....	W. E. CUSLER.....	"
WOODBINE & SAMMON AVES.....	A. D. LEWIS.....	"
YONGE & ANN STS.....	G. R. MURTON.....	"
YONGE & BLOOR STS.....	J. B. PRIESTMAN.....	"
YONGE & QUEEN STS.....	J. F. SCARTH.....	"
AMHERSTBURG.....	C. A. CUDDY.....	"
AURORA.....	R. R. BROWN.....	"
BELWOOD.....	(Sub Branch to Fergus)	"
BOLTON.....	W. A. GREENWOOD.....	"
BRANTFORD.....	C. G. ROYDS.....	"
CALEDON EAST.....	(Sub Branch to Bolton)	"
CALEDONIA.....	M. G. COBURN.....	"
CHATHAM.....	T. R. JONES.....	"
COBALT.....	J. H. McCAW.....	"
COCHRANE.....	A. W. BARLOW.....	"
CONNAUGHT STATION.....	(Sub Branch to Timmins)	"
COTTAM.....	W. J. GOLDEN.....	"
CRAMPTON.....	(Sub Branch to Ingersoll)	"
CRYSTAL BEACH.....	(Sub Branch to Ridgeway)	"
ENGLEHART.....	E. T. CUTTLE.....	"
ESSEX.....	H. M. McKENZIE.....	"
FERGUS.....	F. T. KYLE.....	"
FONTHILL.....	G. L. GORDON.....	"
FORT WILLIAM.....	W. M. PORTER.....	"
GALT.....	T. R. RICHARDSON.....	"
GORMLEY.....	(Sub Branch to Richmond Hill)	"
HAMILTON.....	F. S. GLASSCO.....	"
HARROW.....	N. B. CUMMINS.....	"
HEARST.....	E. M. WILSON.....	"
HUMBERSTONE.....	F. R. WILSON.....	"
INGERSOLL.....	A. O. MURRAY.....	"
JORDAN.....	(Sub Branch to Vineland)	"
KAPUSKASING.....	C. A. KEHOE.....	"
KENORA.....	A. M. OWEN.....	"
KETTLEBY.....	(Sub Branch to Aurora)	"
KIRKLAND LAKE.....	C. L. GRISDALE.....	"
KITCHENER.....	J. W. THOMSON.....	"
LISTOWEL.....	M. R. HAY.....	"
LONDON.....	H. ROBERTS.....	"
MATHESON.....	R. E. TRACY.....	"
MOOSE FACTORY (c/o T. & N.O. Residency, Moose River, P.O.).....	J. BRAWLEY.....	Acting
NASHVILLE.....	(Sub Branch to Bolton)	"
NEW LISKEARD.....	J. F. MacKAY.....	"
NEWMARKET.....	F. H. HEWSON.....	"
NIAGARA FALLS.....	P. B. REEVE.....	"
" QUEEN ST.....	D. HUGHES.....	"
" SOUTH.....	J. H. ARKELL.....	"
" VICTORIA AVE.....	C. E. MERRIMAN.....	"
NIAGARA-ON-THE-LAKE.....	A. S. FOOTE.....	"
NOBLETON.....	(Sub Branch to Schomberg)	"
NORTH BAY.....	J. D. PATTERSON.....	"
OTTAWA.....	J. WALKER.....	"
PALGRAVE.....	(Sub Branch to Bolton)	"
PORT ARTHUR.....	C. G. T. HARCOURT.....	"
PORT COLBORNE.....	E. J. BAKER.....	"
" EAST SIDE.....	(Sub Branch to Port Colborne)	"
PRESTON.....	E. SMITH.....	"
QUEENSTON.....	(Sub Branch to St. Davids)	"
RICHARDS LANDING.....	G. WELFORD.....	"
RICHMOND HILL.....	J. A. GROSKURTH.....	"
RIDGWAY.....	C. A. HAMILTON.....	"
St. CATHARINES.....	J. A. FORSTER.....	"
" EAST END.....	C. C. CASE.....	"
" MARKET.....	A. F. ROBERTSON.....	"

ST. DAVIDS.....	A. T. MINNIS.....	Manager
ST. THOMAS, EAST END.....	H. W. SCARFF.....	"
" WEST END.....	M. A. RICHARDSON.....	"
SANDWICH.....	E. B. REYNOLDS.....	"
" WYANDOTTE ST. & PARTING- TON AVE.....	R. H. MONTGOMERY.....	"
SAULT STE. MARIE.....	F. C. TROTT.....	"
" GORE & QUEEN STS.....	G. S. BALL.....	"
" JAMES ST.....	(Sub Branch to Gore and Queen)	"
SCHOMBERG.....	W. R. RODGER.....	"
SIOUX LOOKOUT.....	J. A. HODDER.....	"
SOUTH PORCUPINE.....	F. E. COOPER.....	"
SOUTH WOODSLEE.....	A. L. SONLEY.....	"
STAMFORD.....	C. W. GRIME.....	"
SUDBURY.....	H. C. SCARTH.....	"
THESSALON.....	W. MCGUIRE.....	"
THOROLD.....	G. R. NELLES.....	"
TIMMINS.....	D. SUTHERLAND.....	"
VINELAND.....	E. H. COLEMAN.....	"
WALKERVILLE.....	W. T. CARTHEW.....	"
" TECUMSEH ROAD.....	H. J. ARBUCKLE.....	"
WELLAND.....	J. H. ROLPH.....	"
WINDSOR.....	G. J. LACKNER.....	"
WOODSTOCK.....	L. R. LLOYD.....	"

PROVINCE OF QUEBEC

DOLBEAU.....	S. McCUTCHEON.....	Manager
MONTREAL.....	A. R. B. HEARN.....	"
	G. S. THOMPSON.....	Assistant
NORANDA.....	G. C. DUNLOP.....	"
QUEBEC.....	G. F. C. LOVE.....	"

PROVINCE OF MANITOBA

BRANDON.....	J. A. WETMORE.....	Manager
GIMLI.....	(Sub Branch to Riverton)	"
PORTAGE LA PRAIRIE.....	H. M. SAMPSON.....	"
RIVERTON.....	J. C. B. WILLIAMSON.....	"
WINNIPEG.....	A. D. DUNCAN.....	"
"	J. BURGOYNE.....	Assistant
" ARLINGTON ST. & WESTMIN- STER AVE.....	R. S. McCLAY.....	"
" NORTH END.....	T. J. SLATTERY.....	"
" ST. VITAL.....	V. J. MANN.....	"

PROVINCE OF SASKATCHEWAN

ASSINIBOIA.....	J. E. JOHNSON.....	Manager
BALGONIE.....	M. E. A. MARSHALL.....	"
BENGOUGH.....	C. D. HARDY.....	"
BENSON.....	L. F. FLURY.....	"
BRACKEN.....	L. J. BERGMAN.....	Acting
BROADVIEW.....	R. MAVOR.....	"
CANWOOD.....	D. C. HOWELL.....	"
CODERRE.....	O. L. KIMBALL.....	"
CREELMAN.....	J. M. MACLEAN.....	"
DENHOLM.....	(Sub Branch to North Battleford)	"
EXPANSE.....	O. W. HARVEY.....	"
FIELDING.....	G. W. STERLING.....	"
FORT QU'APPELLE.....	H. WILLSON.....	"
GOODWATER.....	R. L. WASSON.....	"
GRIFFIN.....	A. MACMILLAN.....	"
HAGUE.....	P. R. NEELY.....	"
HALBRITE.....	F. B. PORTEOUS.....	"
HANDEL.....	K. N. ALLAN.....	"
HEPBURN.....	(Sub Branch to Hague)	"
KELFIELD.....	(Sub Branch to Handel)	"
LAIRD.....	A. FREESON.....	"
LEBRET.....	(Sub Branch to Fort Qu'Appelle)	"
LEWVAN.....	A. J. RICHES.....	"
MAYMONT.....	H. B. MCLEISH.....	"
MCCORD.....	H. BLETSOE.....	"
MCLEAN.....	(Sub Branch to Balgonie)	"
MCTAGGART.....	A. J. ONSTAD.....	"
MEADOW LAKE.....	J. H. NELSON.....	"
MIDALE.....	J. A. G. CLOKIE.....	"
MOOSE JAW.....	A. S. ROSENROLL.....	"
MOSSBANK.....	J. GARRISON.....	"
NEVILLE.....	P. M. HUSBY.....	"

NORTH BATTLEFORD.....	F. R. MUIR.....	Manager
PANGMAN.....	M. J. MONGEON.....	"
PIAPOT.....	A. MCKENZIE.....	"
PRINCE ALBERT.....	S. N. DAVIDSON.....	"
RADVILLE.....	MCG. WILKINSON.....	"
READLYN.....	J. A. TEMPLETON.....	"
REGINA.....	W. L. GILLILAND.....	"
ROCKGLEN.....	C. A. BLAD.....	"
ROSTHERN.....	P. C. F. ROUTLEDGE.....	"
RUDDELL.....	(Sub Branch to Maymont)	"
RUTHILDA.....	(Sub Branch to Springwater)	"
SASKATOON.....	F. W. SCRIMES.....	"
SPRINGWATER.....	G. N. CURRIE.....	"
STOUGHTON.....	H. I. SHAW.....	"
TRIBUNE.....	E. S. WILSON.....	"
VANTAGE.....	L. L. MASON.....	"
WEYBURN.....	H. J. MORGAN.....	"
	H. McLEAN.....	Assistant
WILKIE.....	W. P. GRAHAM.....	"
YELLOW GRASS.....	E. G. BROWELL.....	"

PROVINCE OF ALBERTA

ATHABASCA.....	J. W. McDIARMID.....	Manager
BANFF.....	W. V. GODDARD.....	"
CALGARY.....	A. H. WEAVER.....	"
" EAST END.....	G. I. B. BELL.....	"
ECKVILLE.....	(Sub Branch to Sylvan Lake)	"
EDBERG.....	MARK COOK.....	"
EDMONTON.....	G. R. F. KIRKPATRICK.....	"
	L. S. MacKERSY.....	Assistant
" NORWOOD BOULEVARD.....	J. VEREKER.....	"
" SOUTH.....	W. A. PATTERSON.....	"
" WEST.....	H. W. HARRISON.....	"
EDSON.....	J. G. DEACON.....	"
FERINTOSH.....	J. MacGREGOR.....	"
GRANDE PRAIRIE.....	C. C. FAWCETT.....	"
JASPER.....	J. M. KINNEAR.....	"
MAYERTHORPE.....	(Sub Branch to Sangudo)	"
MEETING CREEK.....	(Sub Branch to Edberg)	"
MILLET.....	J. A. ENGLISH.....	"
NEW NORWAY.....	J. A. BLACK.....	"
REDCLIFF.....	H. C. MacDONALD.....	"
RED DEER.....	J. BALLANTYNE.....	"
ROCKY MOUNTAIN HOUSE.....	S. G. HOOKER.....	"
SANGUDO.....	J. H. CLARK.....	"
SYLVAN LAKE.....	F. L. APPLETON.....	"
TROCHU.....	E. REBURN.....	"
WETASKIWIN.....	H. W. WRIGHT.....	"

PROVINCE OF BRITISH COLUMBIA

CHASE.....	H. J. HAYLOCK.....	Manager
CRANBROOK.....	J. D. MCGILLIVRAY.....	"
CRESTON.....	J. S. W. CLOWES.....	"
FERNIE.....	H. L. REID.....	"
FIELD.....	F. W. CUMMINS.....	"
GOLDEN.....	F. P. THOMAS.....	"
INVERMERE.....	A. ASHWORTH.....	"
MICHEL.....	(Sub Branch to Natal)	"
NATAL.....	G. B. TURNER.....	"
NELSON.....	W. R. GRUBBE.....	"
REVELSTOKE.....	W. K. WICKENS.....	"
VANCOUVER.....	J. M. LAY.....	"
	J. R. HENLEY.....	Assistant
" FAIRVIEW.....	K. ANDERSON.....	"
" HASTINGS & ABBOTT STS.....	F. B. THOMSON.....	"
VICTORIA.....	J. H. D. BENSON.....	"

Imperial Bank of Canada

Principal Agents and Correspondents

CANADA.....	Bank of Montreal
	Lloyds Bank Limited
GREAT BRITAIN	District Bank Limited
AND IRELAND.	The Commercial Bank of Scotland Limited
	The Munster & Leinster Bank Limited
	Northern Bank Limited
BELGIUM.....	Lloyds & National Provincial Foreign Bank Limited
FRANCE.....	Lloyds & National Provincial Foreign Bank Limited
GERMANY.....	Darmstädter und Nationalbank, K.a.A.
	Dresdner Bank
HOLLAND.....	Rotterdamsche Bankvereeniging
ITALY.....	Banca Commerciale Italiana
	Credito Italiano
NORWAY.....	Bergens Privatbank
SWITZERLAND....	Lloyds & National Provincial Foreign Bank Limited
UNITED STATES...	NEW YORK—Bank of Manhattan Trust Company
	International Acceptance Bank Inc.
	Guaranty Trust Co. of New York
	Irving Trust Company
	National City Bank of New York
	The Chase National Bank
	BOSTON—National Shawmut Bank of Boston
	First National Bank of Boston
	BUFFALO—Marine Trust Company of Buffalo
	CHICAGO—Continental Illinois Bank & Trust Co.
	First National Bank of Chicago
	CINCINNATI—First National Bank
	CLEVELAND—Union Trust Company
	DETROIT—First National Bank in Detroit
	DULUTH—First & American National Bank
	LOS ANGELES—Citizens National Trust & Savings Bank
	MINNEAPOLIS—First National Bank
	NIAGARA FALLS, N.Y.—Power City Trust Co.
	PHILADELPHIA—Philadelphia National Bank
	First National Bank
	PORTLAND—United States National Bank
	SAN FRANCISCO—Wells Fargo Bank & Union Trust Company
	SEATTLE—First National Bank
CHINA AND JAPAN.	Hongkong & Shanghai Banking Corporation
INDIA.....	Lloyds Bank Limited
AUSTRALIA.....	Bank of New South Wales
NEW ZEALAND....	Union Bank of Australia Limited
SOUTH AFRICA....	Standard Bank of South Africa Limited
SOUTH AMERICA..	Bank of London & South America Limited
	Anglo-South American Bank Limited

Imperial Bank of Canada

PROCEEDINGS

OF THE

FIFTY-SEVENTH ANNUAL GENERAL MEETING OF THE
SHAREHOLDERS

*Held at the Banking House of the Institution in Toronto,
on Wednesday, 25th November, 1931.*

The Fifty-Seventh Annual General Meeting of the Imperial Bank of Canada was held at the Head Office of the Bank in Toronto, on Wednesday, 25th November, 1931.

Amongst those present were:—W. J. Aitchison (Hamilton), Major Aikins (Winnipeg), G. E. H. Booth, J. W. Bain, K.C., H. C. Boomer, H. S. Banfield, C. F. Bate, Alfred Bicknell, E. K. Boulton, E. N. Bate, L. G. Christie, W. Charles, A. R. Capreol, D. S. Cassels, W. C. Crowther, A. W. Case, E. J. Case, Ven. Archdeacon Doherty (London), W. M. Douglas, W. J. Equi, H. W. Evans, J. H. Ewart, A. E. Ferrie, W. J. Fleury, F. H. Gooch, J. W. Gillbard, L. A. Hamilton (Lorne Park), J. W. Hobbs, G. C. Heintzman, H. C. Houston, J. Hadden, A. N. Horner, H. T. Jaffray, T. E. Knowlton, George Kay (Stratford), A. S. Knowlton, A. M. M. Kirkpatrick, G. R. F. Kirkpatrick (Edmonton), Walter C. Laidlaw, F. E. Luke, G. G. LeMesurier, E. B. LeRoy, Chas. E. Lee, G. L. Lackner, L. S. McMurray, Allan McPherson (Orillia), W. A. Medland, G. H. McLaren, Prof. McLennan, C. S. Macdonald, Nelson Monteith (Stratford), H. C. McLaughlin (Galt), W. J. Medland, Col. J. F. Michie, R. O. McCulloch (Galt), W. G. More, John A. Northway, Col. E. B. O'Reilly (Hamilton), A. L. Ogden, J. T. Parker, G. A. Peters, A. E. Phipps, H. B. Patton, R. Ross, J. G. Ramsey, Alfred T. Read (Aldershot), R. D. Richardson,

Imperial Bank of Canada

F. A. Rolph, A. C. Rome, H. Riley, Chas. Swabey, K.C., G. B. Strathy, James Scott, H. E. Sellers (Winnipeg), H. D. Scott, F. G. Venables, John Watt, G. B. Woods, Thos. H. Wood, R. S. Waldie, J. Walker (Ottawa), Sir James Woods.

The Chair was taken by the President, Mr. Frank A. Rolph. Mr. W. G. More was appointed to act as Secretary of the Meeting and Mr. Chas. Swabey, K.C., and Mr. Alfred Bicknell, K.C., were appointed Scrutineers.

The Notice calling the Meeting was read by the Secretary and the Minutes of the last Annual General Meeting and of the Special General Meeting held on 17th March, 1931, were taken as read and were confirmed.

Imperial Bank of Canada

The Directors' Report and Annual Statement were read by the Secretary as follows:

REPORT

The Directors have pleasure in presenting the Fifty-Seventh Annual Report and Balance Sheet of the business and affairs of the Bank as on 31st October, 1931, together with Statement of Profit and Loss Account showing the result of the operations for the year.

The balance at credit of Profit and Loss Account brought forward from last year was... \$ 740,545.03

Profits for the year ended 31st October, 1931, after deducting charges of management, Auditors' fees and interest due depositors, and after making full provision for bad and doubtful debts and for rebate on bills under discount were..... 1,328,863.47

Making a total at credit of Profit and Loss Account of..... \$2,069,408.50

This amount has been appropriated as follows:—

Dividends at the rate of 12% per annum....	\$ 840,000.00
Annual Contributions to Officers' and Employees' Pension and Guarantee Funds....	47,500.00
Provision for depreciation in Securities.....	250,000.00
Dominion Government and other Taxes paid and reserved.....	170,000.00
Balance of Account carried forward.....	761,908.50
	<u>\$2,069,408.50</u>

In accordance with the authority given by you at the Special General Meeting held on March 17th, 1931, the purchase of the Weyburn Security Bank with Head Office in Weyburn and thirty branches all in Southern Saskatchewan was completed on 1st May, 1931. Since that date five of the smallest of these branches have been closed.

New branches have been opened during the year at Dundas Street and University Avenue in the City of Toronto and at Moose Factory in the Province of Ontario. The following branches have been closed:—In Ontario, Gold

Imperial Bank of Canada

Pines; in Manitoba, Point du Bois and Slave Falls; in Saskatchewan, Dafoe, Delmas, Edenwold, Waldheim, Wishart and Wynyard; in Alberta, Daysland.

It is with sincere regret your Directors have to advise that in accordance with his wishes expressed over a year ago, Sir James Woods has intimated his desire to retire from his office as a Director and will not again offer himself for re-election. Sir James has been a most valued member of the Board and his advice and counsel will be greatly missed. Mr. R. O. McCulloch of Galt has recently been elected a Director and his name will be submitted to you for confirmation.

All the offices of the Bank, including the Head Office, have been carefully inspected during the year and the Auditors appointed by you have also made their examinations as required by law. Their report and certificate is attached to the Balance Sheet. Under the Bank Act a change requires to be made this year in one of the Auditors and a new name will be submitted to you for approval.

The Directors have again much pleasure in testifying to the satisfactory manner in which the various officers of the Bank have discharged their various duties.

All of which is respectfully submitted.

Toronto, November 24th, 1931.

FRANK A. ROLPH,

President.

Imperial Bank of Canada

PROFIT AND LOSS ACCOUNT

31st OCTOBER, 1931

Dividends Nos. 162, 163, 164 and 165, at the rate of 12% per annum..... \$840,000.00 Contribution to Officers' Guarantee Fund..... 7,500.00 Contribution to Officers' Pen- sion Fund as per By-law No. 33..... 40,000.00 Provision for depreciation in Securities..... 250,000.00 DOMINION GOVERNMENT AND OTHER TAXES, includ- ing tax paid on Circulation and Reserve for Income Tax..... 170,000.00 Balance of Account carried forward..... 761,908.50 \$2,069,408.50	Balance at credit of account Oct. 31st, 1930, brought forward.....\$ 740,545.03 Profits for the year ended 31st October, 1931, after deducting charges of man- agement, auditors' fees and interest due deposi- tors, and after making full provision for bad and doubtful debts and for rebate on bills under dis- count..... 1,328,863.47 \$2,069,408.50
---	--

RESERVE FUND

Balance at Credit of Account October 31st, 1931..... \$8,000,000.00

FRANK A. ROLPH,
President

A. E. PHIPPS,
General Manager

Imperial Bank of Canada

FIFTY-SEVENTH ANNUAL

31st OCTOBER

LIABILITIES

Notes of the Bank in circulation.....	\$ 8,943,625.00	
Deposits not bearing interest.....	\$18,435,210.50	
Deposits bearing interest, including interest accrued to date of State- ment.....	90,405,070.97	108,840,281.47
Balances due to other Banks in Canada	\$ 2,704,253.69	
Due to Banks and Banking Correspon- dents in the United Kingdom.....	173,197.03	
Due to Banks elsewhere than in Canada and the United Kingdom.....	1,906,590.63	
Letters of Credit Outstanding.....	636,083.20	5,420,124.55
Total Liabilities to the Public.....		\$123,204,031.02
Capital Stock paid in.....	\$ 7,000,000.00	
Reserve Fund Account.....	8,000,000.00	
Dividend No. 165 (payable 1st Novem- ber, 1931) for three months at the rate of 12% per annum.....	210,000.00	
Unclaimed Dividends.....	682.25	
Balance of Profit and Loss Account carried forward.....	761,908.50	15,972,590.75

AUDITORS' REPORT TO SHARE- HOLDERS

We report to the Shareholders of the Imperial Bank of Canada:—

That we have examined the above Balance Sheet as at October 31st, 1931, and compared it with the books and vouchers at Head Office and with the certified returns from the Branches. We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

In our opinion the Balance Sheet discloses the true condition of the Bank, and is as shown by the books of the Bank.

The above Balance Sheet does not include money which has been set aside by the Shareholders from time to time for the purpose of a Pension Fund.

A. B. SHEPHERD, C.A.
of Peat, Marwick, Mitchell & Co.

D. McK. McCLELLAND, F.C.A.
of Price, Waterhouse & Co.

Toronto, November 19th, 1931.

\$139,176,621.77

Imperial Bank of Canada

BALANCE SHEET

1931

ASSETS

Current Coin held by the Bank.....	\$ 415,324.27	
Dominion Government Notes.....	9,037,769.00	
United States and other Foreign Currencies.....	22,469.46	
	<u>\$</u>	9,475,562.73
Deposit in the Central Gold Reserves.....		1,400,000.00
Deposit with the Minister for the purposes of the Circulation Fund.....		417,935.36
Notes of other Banks.....		620,820.00
Cheques on other Banks.....		5,826,160.85
Balances due by other Banks in Canada.....		606,787.60
Due from Banks and Banking Correspondents in the United Kingdom.....		307,483.51
Due from Banks and Banking Correspondents, elsewhere than in Canada and the United Kingdom....		<u>2,240,520.23</u>
Dominion and Provincial Government Securities not exceeding market value.....	\$21,400,642.37	
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian, not exceeding market value.....	5,534,940.93	
Railway and other Bonds, Debentures and Stocks, not exceeding market value.....	<u>179,877.20</u>	27,115,460.50
Loans to Provincial Governments.....	\$ 2,123,636.08	
Loans to Cities, Towns, Municipalities and School Districts.....	8,429,973.69	
Call and Short (not exceeding thirty days) Loans in Canada on Stocks, Debentures and Bonds, and other Securities of a sufficient marketable value to cover.....	<u>7,543,745.72</u>	18,097,355.49
Other Current Loans and Discounts in Canada (less rebate of interest), after making full provision for all bad and doubtful debts.....		65,108,364.65
Non Current Loans estimated loss provided for.....		238,177.54
Real Estate other than Bank premises.....		169,562.92
Mortgages on Real Estate sold by the Bank.....		500,776.57
Bank Premises, at not more than cost, less amounts written off.....		<u>6,300,000.00</u>
Liabilities of Customers under Letters of Credit as per contra.....		636,083.20
Other Assets not included in the foregoing.....		<u>115,570.62</u>
		<u><u>\$139,176,621.77</u></u>

FRANK A. ROLPH,
President.

A. E. PHIPPS,
General Manager.

THE PRESIDENT'S ADDRESS

Since the last Annual Meeting we have put in a year of stress and anxiety, but thanks to careful management and good fortune, the Bank has come through remarkably well as the Statement presented to you to-day will show and which I am satisfied will meet your approval. Apart from the uncertainty that has prevailed and which has called for even closer supervision of loans than usual, the year has been an uneventful one for the Bank except that during this period the acquisition of the Weyburn Security Bank was completed. This Bank operated a chain of branches in a section of Southern Saskatchewan in which your Bank has not previously been represented—the General Manager will deal at greater length with this in his address. Like all other financial institutions the world over, we have had losses, but I am pleased to inform you the losses we have sustained have been well within our means to take care of. The many causes which have brought about existing conditions are complex and confusing. They originated in the Great War when the entire political and financial structure of the world was thrown out of balance. In a financial way we are still very much out of balance.

A NEW EMPIRE POLICY

Great Britain made a gallant struggle to maintain the gold standard but found she had attempted the impossible and on the 20th of September last she very wisely dropped the gold standard and several European countries followed her lead. The drop in the value of the Pound sterling immediately caused a trade revival in England, especially in the textile industry, and unemployment throughout Great Britain is steadily being reduced. The recent election of the National Government showed clearly that the heart of the British people in a crisis is sound and we hope that the confidence which has been expressed by the people in the National Government will not be misplaced and we look to see policies adopted not only for the benefit of Great Britain, but for the Empire as a whole. It is especially gratifying to see that the British Government which has recently empowered the Board of Trade to put into effect a tariff policy up to 100 per cent. duty for the protection of British Industries has also intimated that British Dominions will have

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100 per cent. preference over Foreign countries, a bold and courageous policy which we Canadians should appreciate. When Great Britain takes action it is usually in a big way. Let us show our appreciation by purchasing British goods and let us profit by the sale of our raw and manufactured products so as to take the fullest possible advantage of the substantial preference which she has given to us.

NATIONS OF WORLD GETTING TOGETHER

It is a hopeful sign to see that the political and financial people of the world are getting much closer together. They are on much better terms than at any time since the War and are showing their desire for co-operation which will lead to re-establish confidence in international affairs. It is to be hoped that some policy for very material reduction or abandonment of War Debts will take place which should work out to the advantage of both the creditor and debtor nations; the recent proposals by Washington indicate a definite move in this direction.

TIDE HAS TURNED

These last few weeks have seen a betterment in the price of commodities, especially grain and silver. Quite a number of other commodities have also shown slight increases and some of the best economists and statisticians inform us that the tide has now turned, and while the up-swing may be slow and irregular, it would be better so than have the violent fluctuations which took place in 1920-21.

In the Stock and Bond markets it is also good to note that during the past few weeks there has been an increase in values which is encouraging. History reveals that the world has passed through similar trade depressions before, but it always comes back; it never fails. It seems difficult to think that prices could get much lower, so a definite upward trend in business cannot be very long delayed. Perhaps the greatest factor which will aid in restoring better times is—Confidence—especially on the part of the people, not only as individuals, but nations. Currency, whether paper or gold, is merely a means of exchange and to do most good must be kept in circulation. It is interesting to note that the press throughout the country is talking confidence and optimism and this, I am sure, will be helpful.

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NO BANK FAILURES IN CANADA

Let me say a word here on behalf of the Canadian chartered banks. They have all stood up remarkably well under the strain which they have been called upon to bear. Canada, I think, is particularly fortunate in her banking system. There has not been a single failure in ten years and they have served the public well. The addresses at the recent Annual Meeting of the Canadian Bankers' Association were very heartening. I would like to congratulate Mr. Beaudry Leman upon the very able way in which he headed the Canadian Bankers' Association during a very trying year and I also wish to congratulate Mr. McLeod on his election to the Presidency and wish him a successful term of office.

A NEW YORK OPINION

I was very much interested in reading a Special Bulletin issued by one of the leading New York publishers of statistics concerning our Dominion of Canada. The opening sentence of this Special Bulletin reads—"The obligations of the Canadian Government are well supported by developed national resources, an adequate financial background, sound government administration, character and thrift of population and stability of political conditions." And another sentence—"We continue to consider Canadian national obligations as high-grade conservative investments." These are two cheering sentences to read and show the high estimation in which Canada is held by our friends to the south.

AGRICULTURE FOREMOST

Agriculture still forms the largest item in connection with our export trade and a favourable balance of trade depends largely upon the export of agricultural products. The increase during the last few weeks in the price of wheat will be a great blessing to the farmers in our Western Provinces. Canada had a most unfortunate experience in 1929 which resulted in heavy losses and a large carry-over. In 1926 we had a carry-over of about 35 million bushels. In 1929 we had a carry-over of approximately 112 million bushels. It is unfortunate that in a commodity of this kind such low prices should maintain, but it is only by keeping it moving freely that we can keep ourselves in a sound liquid position so far as our wheat market is concerned. Wheat is now moving and our Railways will reap a benefit.

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The pulp and paper industry has shown tremendous development in the past ten years. In 1921 we had an approximate production of 800,000 tons of newsprint. In 1930 this was increased to two and one-half million tons. Unfortunately we went ahead a little too fast, overproduction resulted with this expansion, prices fell and most of the present plants are now operating at about sixty per cent. of capacity. This situation will, I think, gradually work itself out so that if production is kept within reasonable bounds, and better prices obtain, it will once more be a flourishing, profitable industry.

In Mining it is very satisfactory to record that Canada during the past year has moved up into second place as a gold-producing country. In all branches of mining, from coal to gold, we have an approximate production of about Two Hundred and Fifty millions of dollars per annum.

BURDEN OF TAXATION

The burden of taxation is resting very heavily upon us, especially under present conditions. It is to be hoped that our Government expenditures, Federal, Provincial and Municipal, will be considerably reduced. Governments, in conjunction with individuals, learned extravagance during the highly profitable years 1921-29. We must get back to normalcy, especially a saner basis of living, and re-adjust our government expenditures on the same basis that we have adopted for our personal business. In nearly all our governments, I think, we are over-departmentalized. Some simpler basis of administration should, I think, be found. Let all of us spend wisely, according to our ability to spend, in order to keep unemployment and distress at a minimum.

ENGLAND'S LEADERSHIP

Another publication which recently came to hand issued by the Chase National Bank of the City of New York, written by Mr. Benjamin M. Anderson, Economist, is one which we, as Canadians, of the British Empire should appreciate. Mr. Anderson gives full credit to England in regard to the part she has taken as a leader in financial affairs for a hundred years. Here are a few sentences taken from this bulletin under date of October 6th last:

"In pre-war days, the London markets and, to a less extent, the German markets, contained very powerful,

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"enterprising men, who, combining knowledge with capital resources, diversifying their risks, drawing capital from other less active men of wealth to supplement their own, were prepared to step into any kind of disorganized market and buy bargains. London dealt in every kind of commodity and in every kind of foreign security. Had London retained her old financial power we should not have seen the collapse in foreign bonds which the present crisis has exhibited. English investors and speculators with expert knowledge of conditions in many countries would have been discriminating buyers, while other less informed and more frightened men were selling. We should not have seen the extreme breaks in commodity prices which the present depression has exhibited. The rest of the world is not yet equipped to take London's place in these matters, even though extraordinary opportunities for profitable buying exist."

Another paragraph from Mr. Anderson's Bulletin reads:

"I have no desire to disparage the achievements of the United States in finance, or the technical knowledge of markets which our trained merchants and dealers possess, but it is no disparagement of our own economic organization to say that it is inadequately prepared to take up on short notice the problems with which London has been dealing for a hundred years. We need London, and we are still accustomed to lean on London, even though our need for her be not as great as it was in the pre-war period. The rehabilitation of English and German credit and the restoration of England and Germany as normally functioning parts of the world's economic system are of vital importance to business in the United States."

THE STAFF

Gentlemen: Before moving the adoption of the Report I would like to make two special references—First to express my tribute to the staff who have rendered such loyal and efficient service during a very trying period. One and all have been indefatigable in their efforts in looking after the Bank's interests.

SIR JAMES WOODS RETIRES

The next item I want to refer to is to record my deep regret at the retirement from the Board of our Vice-President,

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Sir James Woods. Following the death of Mr. Howland in June, 1930, Sir James, for personal reasons, declined to accept the Presidency and at the same time he announced his willingness to remain on the Board for another year on the condition that at the end of the Bank's fiscal year in 1931 he be relieved. Sir James has rendered a great service to the Bank during the sixteen years he has been on the Board. His advice has been of inestimable value. He is a man of great courage and ability and is possessed of a keen, analytical mind. He is going to be greatly missed by all his fellow-Directors and especially by myself and the General Manager. He has been a wise adviser and a good friend. At the close of the Bank's fiscal year on October 31st, Sir James, in this his last year of service in the Bank, created for himself a record by attending 55 out of 55 Directors' Meetings held—a one-hundred per cent. record. I thank him and congratulate him. To Sir James and Lady Woods I express all good wishes for happiness and prosperity for, I hope, many years to come.

R. O. MCCULLOCH BECOMES A DIRECTOR

It affords me great pleasure to announce that the Directors have elected to the Board, Mr. R. O. McCulloch of Galt, an old and valued friend of mine and well known to all our Directors. He is President of the Mutual Life Assurance Company of Canada; President of Goldie and McCulloch, Galt; Governor of the University of Toronto, besides holding many other positions of trust. He will be a very valuable addition to our Board—we bid him a hearty welcome.

In conclusion, may I say that the upturn I believe has come—that what we need is confidence, endurance and an abiding faith in Canada and ourselves.

I move the adoption of the Report and will call upon Sir James Woods to second it, and before putting the motion will call upon the General Manager to explain the Balance Sheet and Profit and Loss Account which, you will notice, I have not touched upon in my address. (Applause.)

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THE VICE-PRESIDENT'S ADDRESS

We have been passing through one of the difficult periods in the history of our country. Canada, in common with all lands, has been in a trough of depression, partially brought about by the abnormal deflation in the price of raw materials and the difficulty of adjusting productive wages and distribution costs to meet these new prices. But, as the abnormal always gives place to the normal, so must the conditions of to-day give place to a gradual return of the world at large to a state in which there will be enough and to spare for all.

FINANCIAL STRUCTURE STANDS UP WELL

We may congratulate ourselves that the financial structure of Canada has stood well in a time of severe testing. Your Bank, the Imperial Bank of Canada, like others, has known how to care for the interests of depositors and shareholders and at the same time serve the needs of trade and industry. As a country, we are fortunate in the varied character of our industries and resources. Were Canada to-day as purely agricultural as she was forty years ago, our condition would be one of great difficulty. Since that time, we have seen a remarkable expansion of mining and pulp and paper manufacture, in addition to the establishment of a great number of industries to serve the home and foreign markets. This phenomenal development, in its variety, is, in some measure, an insurance against extreme depression.

BETTER INTERNATIONAL UNDERSTANDING

There is also ground for satisfaction in the changed attitude of some of the leading nations of the world. The lesson of international interdependence is being learned by some peoples who had dreamed of a quiet life, unruffled by the storms which devastate other lands. The Hoover Moratorium proposal and the changed attitude of France in European affairs are due more to the realization of this interdependence than to the example of The Good Samaritan.

BRITAIN WILL BALANCE HER BUDGET

Another ground for hope is connected with the recent political upheaval in Britain. This remarkable country is famous for its habit of muddling through when great things are to be done. It is also equally remarkable for its grim

determination to carry through to the end when the needs of the situation are plainly understood.

Great Britain, as the chief buyer of the surplus products of the world, holds a strategic bargaining position, now that she has provided herself with a tariff with which to bargain. "Buy our finished products and we will make it possible for you to sell us your raw materials or national products," should not be a bad basis for re-establishing Great Britain's waning industry. The British people have shown in the recent elections that they are prepared to give up many cherished institutions in case of necessity, to balance the budget in trade. If need be, free trade, the long week-end, and other things dear to the heart of the Briton, may all be sacrificed and the domination of protected trades lessened.

IS EMPIRE CURRENCY POSSIBLE?

How may the extraordinary present-day situation be turned to good account inter-Imperially? Would it be practical to have a revaluation of Empire currency, so that the currencies of all parts of the Empire might be on a parity of exchange? It is difficult to forecast what the result would be. It is a matter for experts in international finance to pass upon, but it is a thought I should like to leave with you. May I enlarge upon it briefly?

The gold standard was devised and successfully operated at a time in which the movement of goods and gold was fairly free from restriction by tariff walls and financial legislation. In the last decade, the changed conditions make very difficult any automatic working of a gold standard. Prior to the re-valuation of Empire currency, our financial leaders and our economists would have to devise new rules for the control of this operation. If the desirability of an Empire economic unit be accepted as a point of view, the immediate task would be the determination of the extent to which the Empire is self-sufficient in terms of raw materials or available capital and the extent to which the Empire must sell or buy in outside markets. If it be accepted that we should buy and sell as far as possible within the Empire, the re-standardization would have to be carried out in such a way as would further this end. If the re-standardization were at a uniform discount, both the immediate and long range effects might well be a marked increase in intra-Empire trade and a decrease of the trade with the United States and other countries continuing on the old gold standard basis. It

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would increase the demand for intra-Empire financing; it would cut down the imports from extra-Empire countries; it would become a virtual additional tariff wall around Empire trade. The Dominion might have to pay some price to achieve this, but it is doubtful if the price would be any greater than what we have thus far paid while operating as an independent nation.

ADVANCING COMMODITY PRICES

The advance in commodity prices in certain lines is bound to be helpful to Canada. As a great wheat-producing country, increased wheat prices mean much to us, for Canadians can scarcely expect prosperity until the farmer can sell at prices that show a profit sufficient to provide something more than the minimum requirements of life. As Canada ranks third in the silver-producing countries of the world, any substantial rise in the price of silver will be a factor in restoring prosperity to this country.

The Annual Statement just submitted by the President is remarkable in view of the falling-off in commercial loans as compared with two or three years ago, the lessened demand for money to finance new industries, the limited requirements in the transactions of the stock market, and the low rate of interest prevailing in New York, where, in normal times, Canadian Banks have found it profitable to employ surplus funds. There was, of course, depreciation in the market value of our securities, but this is taken care of by Contingent Reserve Account, which is set up for that purpose.

SIR JAMES SAYS FAREWELL

Our President has told you what my friends have known for more than a year, that this is the last occasion on which I shall have the pleasure of seconding the adoption of the Annual Report. I am not retiring from business, but I have taken my banking duties seriously, as shown by the fact that I have missed only three meetings of the Board of Directors in the last three years, while, in the last year, all the meetings were attended, and, at my age, one should be allowed to hand over to others burdens of a public nature. My association with the Board and staff of the Bank has been so pleasant that I bid them farewell with very great reluctance.

Mr. President, I have great pleasure in seconding the motion for the adoption of the Annual Report. (Applause.)

THE GENERAL MANAGER'S ADDRESS

In closing my remarks last year I made some expressions of a hopeful nature which I am sorry to say have not been fulfilled. The year just closed has been perhaps the most difficult one for Banks since I assumed the General Managership ten years ago. Throughout the year there was nothing but decline in commodity prices and stock and bond values and business generally has been at a very low ebb. Against this background I venture to hope that the statement which is in your hands to-day will be considered entirely satisfactory. Although the earnings are not up to last year's figures, in fact we have to go back to 1927 for parallel, we consider profits of \$1,328,863 indicated in the Profit and Loss Statement good enough. The Balance Sheet in my opinion shows that the Bank's business and position have been well maintained and that the Bank enjoys public support and confidence in as great a degree as ever before. In common with other Banks we omitted the payment to the shareholders of the bonus of one per cent. this year. As has been pointed out, in common with all holders of Government and municipal securities (we do not carry anything else in our portfolio) we had to suffer depreciation in the market value which was taken care of out of the reserves maintained by the Bank for that purpose, and although we have faith that the securities will in time appreciate again we have thought it wise to provide \$250,000 as a reserve against depreciation of securities. This we have been able to do by making use of the amount that would have gone to pay the bonus and adding to it other undistributed earnings of the year and still carry forward a small increase of \$21,363 in the balance of our Profit and Loss Account, which now stands at \$761,908. The usual item of Bank Premises has been taken care of in other ways.

THE BALANCE SHEET

SAVINGS DEPOSITS UP \$3,500,000

Turning to the Balance Sheet, copy of which is in your hands, I will as is customary explain briefly a few of the changes which have taken place. Taking as usual the liabilities first: the circulation of \$8,943,625 is practically the same as a year ago when the figure was \$8,592,325. The deposits, which, of course, are the portion of the Bank's business most likely to be disturbed by untoward conditions,

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are \$108,840,281 as compared with \$114,291,244 on 31st October, 1930, a shrinkage of \$5,450,000 brought about by the figures of a year ago having included a special Government deposit of more than that amount held to meet immediate maturing obligations.

I am glad to say that our ordinary Savings Bank deposits have increased by \$3,500,000 during the year. The reduction in Balances Due to Banks Elsewhere than in Canada and in the United Kingdom, which totalled on 31st October \$1,906,590 against \$4,242,578 a year ago, of course is accounted for by the exchange situation. These two items together with the falling off in Letters of Credit outstanding (attributable to dull business) make up the reduction of \$8,945,514 shown in the Bank's liabilities to the public. Turning to the assets: the cash and cash assets, first sub-total, are \$20,895,270, a reduction of \$5,845,000, represented, of course, by the disbursement of Government funds I have already referred to. Including other quick assets such as Government and other bonds, loans to Provincial Governments and Municipalities and call loans, the total of readily realizable liquid assets is \$66,108,000 or 53.66% of our liabilities to the public compared with 56% in 1930 and 48% in 1929. The current loans and discounts have remained practically steady and now total \$65,108,364 compared with \$66,848,170 on 31st October, 1930. We consider the figures satisfactory and that the proportion of this class of business on our books is relatively in keeping with the remainder of our business.

QUALITY OF LOANS HIGH

I would like to again give you my usual assurance that we believe the quality of our current loans is exceedingly high and that full provision has been made for anything which could be considered doubtful. The Non-Current loans show an increase from \$176,000 a year ago to \$238,000 at the present time, a change which might be looked for under existing business conditions. The other important asset is our Bank Premises account which now stands at \$6,300,000 an increase of approximately \$300,000 during the year, represented by the value of the Head Office and twenty-five Branch buildings obtained from the Weyburn Security Bank, less amounts written off. These amounts and the expenditures on our own building operations have been provided

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through the usual depreciation reserve. There were no important buildings erected during the year.

WEYBURN SECURITY BANK

As the President has mentioned, in the closing month of 1930 arrangements were made whereby the Imperial Bank of Canada would acquire the business and undertaking of the Weyburn Security Bank, a chartered Bank with its Head Office in Weyburn, Sask., and thirty Branches, all in the immediate vicinity. The Imperial Bank of Canada was not represented in that section of the country and for this and other reasons your Directors deemed it advisable to enter into negotiations which were confirmed by a special meeting of the shareholders on 17th March. The actual physical possession of the Bank was taken on 1st May, 1931. Owing to adverse crop conditions in that section of the country the results so far have not amounted to very much, but the district has been a very fertile one in past years and will become so again. At the time we took the Bank over its deposits were less than two million dollars. They had in times when crops were satisfactory been as high as \$5/6,000,000 and we believe that under our management and with a recurrence of good crops we can work the Bank into a valuable addition to your property. While the transaction assumed considerable proportions in the newspapers it was a comparatively small matter. A substantial number of our own Branches have more business in themselves than the total business of the Weyburn Security Bank. We are well satisfied with our purchase.

STAFF NUMBERS 1,529

Our staff now total 1,529, an increase from 1,493 a year ago, accounted for by the taking over of the Weyburn Security Bank. It affords me pleasure to again testify to the loyalty and efficiency of the staff.

SHAREHOLDERS NUMBER 2,592

The number of shareholders total 2,592 compared with 2,520 a year ago, an increase of 72. Shareholders in the United States now number 350 against 375 a year ago, a decrease of 25, and the number of shares held by those resident in the States has decreased from 9,426 to 8,755, a drop of 671 shares.

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BRANCHES NUMBER 227

The Branches of the Bank now total 227 as compared with 210 a year ago, the increase having been accounted for by the taking over of the Weyburn Security Bank with its 30 Branches, five of which have since been closed. Ten of our own small unprofitable Branches were also closed. We have only opened two Branches during the year, at Dundas Street and University Avenue, Toronto, and at Moose Factory, the terminus of the T. & N.O. Railway on James Bay.

GENERAL BUSINESS

The review of business has as usual been dealt with by the President, whose remarks have been supplemented by the very pungent address of Sir James Woods. I concur in all they have said and I am not going over that ground again.

While we have all been affected by the bad times, the physical advances made by our country during such a period of depression might very properly be remarked upon. A short trip through our own City will show you that the additions to our buildings and the improvement in our streets and thoroughfares and transportation and railway facilities have been greater than in any similar period of time in my experience, and those of us who have the privilege of visiting other Canadian cities generally throughout our land must have noted that the same kind of progress has taken place. During the period the Arctic Ocean has been reached by rail, two of our Canadian railways having established terminals there with the object of opening up new territory and new and shorter trade routes.

GOLD PRODUCTION \$1,000,000 PER WEEK

The metal mining industry has gone ahead. The production of gold now exceeds a million dollars a week, and the industry of making refined copper and copper rods from the copper mined in our country has become a reality through the very important plant of the Canada Copper Refinery in Montreal. In Manitoba two important Hydro-Electric installations have been completed, one yielding 225,000 H.P. and the other 90,000 H.P., nearly all of which is already being consumed by the industries and cities of that Province. The story could be continued almost indefinitely, and that such work should have been completed

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during what we call bad times is an evidence of the resourcefulness of our people and the steady progress of our National development.

FINANCE AND UNEMPLOYMENT RELIEF

The other side of the picture is that we are face to face with two major problems—finance and unemployment relief. These are interdependent at present and if what we read in our daily newspapers is correct, the relief question is being handled in a method about the wisdom of which I have considerable doubt. The fact that the sum suggested to be spent was at one time two hundred million dollars is evidence to me that the question is becoming one of spending rather than one of raising what is actually necessary for relief and that the size of the sum suggested and the difficulty of obtaining it is being lost sight of. The credit of our country is a matter of greatest concern to the Banks and to all of us and the proposals to spend so vast a sum in the manner indicated might easily affect our credit. The money must be borrowed and before we are through our present financial difficulties it may be found that the borrowing ability of our Governments may be required for other purposes. I believe and trust that the matter is receiving the attention of the highest authorities in the Dominion, who after all are the directing forces in the unemployment relief, so that they will grapple with the problem and get it down to a basis which will provide adequate relief without country-wide extravagance.

NATIONAL SERVICE LOAN

One other word on the subject of National finances—

We are in the midst of the campaign for the National Service Loan for \$150,000,000 for which subscriptions are now being solicited. The Banks and financial institutions of the country from end to end are heartily supporting this loan and doing everything they can to make it a success. The purposes for which the money is required are well understood and, needless to say, the loan has my hearty endorsement. I hope that each one of you will consider the loan a personal proposition and subscribe through your businesses and personally for as much as you can take. It is a sound investment at a good rate of interest and it may be some time before another such opportunity arises. There is no better

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investment in Canada from the point of security, marketability, and regularity of income than Dominion of Canada bonds.

GENERAL REMARKS

I would like to add a little to what the President has said about Sir James Woods, who has been Vice-President as long as I have been General Manager. Nobody could desire a wiser counsellor nor a better friend. He has been one of the hardest working Directors a Bank ever had and I know that his pride in the Imperial Bank of Canada has been unfaltering. He is retiring from the responsibility of a directorship but I hope he will not take it amiss if I say that I am still going to look to him for advice and counsel whenever he is willing to give it.

It is perhaps unnecessary for me to say that I join with the President and other Directors in welcoming Mr. McCulloch to our Board. We consider the Bank extremely fortunate in securing him as a Director.

Gentlemen, I am not going to venture to forecast what business conditions will be during the coming year but will say this—I believe whatever those conditions are your Bank is fully equipped and in an excellent condition to meet them and to furnish that high quality of financial service which it has consistently given for the past 55 years. (Applause.)

THE PRESIDENT: You have heard the motion, gentlemen.

I beg to move, seconded by the Vice-President, that the Report just read be adopted, printed and circulated amongst the shareholders. Is that your pleasure? (Carried.)

Then Mr. Charles has a motion.

MR. CHARLES: Mr. President and Gentlemen, you give me the privilege of moving that A. B. Shepherd, C.A., of Peat, Marwick, Mitchell & Company, and W. D. Glendinning, C.A., of Riddell, Stead, Graham & Hutchison, be appointed Auditors of the Bank for the ensuing year at a remuneration not to exceed \$10,000.

MR. WATT: I beg to second that.

The President put the motion, which upon a vote being taken was declared carried.

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THE PRESIDENT: I am going to ask my good friend, Professor McLennan, to make the next motion. As far as Professor McLennan is concerned, I regret very much, with a great many other Toronto people, that Professor McLennan is going to the land across the water, fortunately for us belonging to a country which we all love so much, and I can only express the wish to him that he has a very happy voyage and sojourn there.

PROFESSOR MCLENNAN: Mr. President, I beg to move, seconded by Mr. C. S. Macdonald, that the thanks of the shareholders are due and are hereby tendered to the President, Vice-President and Directors of the Bank for their services during the past year.

We have listened to addresses by the President and the Vice-President and the General Manager and these make us realise that we have a Board of Directors that have a very full appreciation of the real situation in which Canada finds itself to-day.

We have noted with satisfaction and appreciation the care with which the Directors have conserved the resources of the Bank, and the wisdom with which they have guarded its investments during the past year. We note too with appreciation the conservative policy that has been followed in regard to overhead expenditure; there has been no wild launching into any building programmes nor any unnecessary and unprofitable extension of branches in the older parts of the country. That is very wise at this time, particularly wise. And yet when there was a strategic advantage in moving into a new territory such as offered itself in the west a short time ago, the directorate did not hesitate to make a move in that direction.

As shareholders we regret that Sir James Woods has expressed a desire to retire from the Vice-Presidency of the Bank. He has served the Bank well and we are fully appreciative of what he has done for us. He is a very able business man. Moreover, he is a patriotic Canadian and he is a loyal citizen of Toronto. We well remember when the question of the moving of the Meteorological Office from Toronto to Ottawa was up for consideration how he and those associated with him were able, by the soundness of their arguments, to convince the Government of the day that the usefulness of the Meteorological Office to the people of Canada generally,

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would be greater if it were retained in our city. His wisdom in the Bank's affairs has been referred to, and we all believe that everything that has been said of him by the General Manager and by the President has been said with good warrant. Sir James goes from this Bank with the warm affection of the shareholders and a full appreciation on their part of what his connection with the directorate has meant to the Bank.

Reference has been made by the President and by the General Manager to the pressing necessity for the Governments and the municipalities in Canada to reduce expenditure, and lower the cost of administration in every way possible. About this matter we heartily support the directorate in their policy of urging upon all who have to do with public expenditure, the wisdom of economising in every way, at least until the present trying time shall have passed. In this connection I would again call your attention to the appalling waste of natural gas that is being allowed to go on in the Province of Alberta. It is a very serious matter, for the day will assuredly come when the people of Canada will learn to their sorrow that there has been taken away from them, practically without compensation, one of their greatest and most useful natural resources.

As I am leaving Canada shortly to live in England this is probably the last occasion on which I shall have the opportunity of speaking on behalf of the shareholders at an Annual Meeting of this Bank. My father-in-law, Mr. William Ramsay, was one of its founders, he was always greatly interested in its welfare and was proud of its success. Mrs. McLennan, and the other members of his family, continue to take the keenest interest in the affairs of the Imperial Bank, and on their behalf, and on behalf of all the shareholders present, I have great pleasure in moving the adoption of the vote of thanks I have just read to the Members of the Board of Directors for their conduct of the business of the Bank during the year just brought to a close. (Applause.)

MR. C. S. MACDONALD: Mr. Chairman, I have much pleasure in seconding the motion.

THE PRESIDENT: We should hear an acknowledgment of the kind words Professor McLennan has said and I am going to call upon one of our Directors, Major Aikins.

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MAJOR G. H. ATKINS, K.C.: Mr. Chairman and Shareholders of the Imperial Bank, my task in replying to the tribute tendered by Professor McLennan and Mr. Macdonald is not extremely difficult, because as a western Director who has contributed very little to the achievements of the Bank during this very difficult year, I am spared any embarrassment and can disclaim any credit. But as a westerner I will simply say this, that the west, as Professor McLennan suggests, is on the whole frugal; it can carry on, it will carry on; the western farmer is living on his farm. He has been urged to go into diversified farming, which at the present time even is difficult because cattle and hogs and all those products of the farm are also at a discount. And the western farmer is having to do just as Professor McLennan has said, to live carefully. But the west will do so. I have been in Montreal, I came to Toronto, and I found greater optimism in Toronto than in Montreal. I can safely say that the west is just as optimistic as Toronto. Possibly it isn't optimism; it may be courage; but the west has courage and the west will contribute its part to the success of Canada. As a member of the Board of Directors I think that I am expressing their thoughts in saying that the splendid achievements of the Bank during this year are due, not principally or primarily to the work of the Directors, but to the work of the President, the Vice-President, the General Manager and his very splendid assistants, and I express the thanks of the Board of Directors for that tribute to our leaders, the very kind tribute of Professor McLennan and Mr. Macdonald. (Applause.)

THE PRESIDENT: Mr. Woods now, I believe, has a motion.

MR. G. B. WOODS: Mr. Chairman, it is always a pleasure to attend an Annual Meeting of the Imperial Bank, and to take a part in it by moving or seconding a resolution. It is especially so to-day when we consider what a trying year the Bank has passed through, and to have submitted to us, as we have had to-day, such a splendid statement, the credit for which is due to the General Manager, the Assistant General Manager and the Officers for the careful supervision which they have given to the matters of the Bank during this very trying year.

The General Manager, Mr. Phipps, is considered to be a good sound banker, not only by the Directors and the

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Shareholders of the Imperial Bank, but by everyone interested in finance.

We have just heard Professor McLennan's remarks, which are always instructive, and listened to at these Annual Meetings with a great deal of pleasure, and I was very pleased to hear him speak so kindly of the retiring Vice-President, Sir James Woods, whom it has been my pleasure and privilege to have known for many years. His father, whom I knew very well in Galt, was a very warm friend of mine, and I am sure that Sir James' retirement as First Vice-President will be a great loss to the Bank, and one which the Shareholders will greatly regret.

However, I think the Bank is exceedingly fortunate in securing as a Director, Mr. McCulloch, of Galt, and I also think that Mr. McCulloch should feel that he is being honored by being elected a member of the Board of this Bank.

A great deal has been said, Mr. Chairman, about the business conditions in the country; it has been a very trying year, but I believe that what is good for an individual is good for a nation, and I believe that this country will come out of the depression stronger and better than ever. I do not think that we as Canadians should have any doubt whatever about the future of this magnificent country.

I have very much pleasure in moving that the thanks of the Shareholders be given to the General Manager, the Assistant General Manager, and the other Officers of the Bank for their attention to the interests of the Bank, and for the efficient performance of their respective duties. (Applause.)

MR. A. M. M. KIRKPATRICK: It gives me very great pleasure to second the resolution which has just been read by Mr. Woods, and I know that as a seconder I am not expected or intended to make any remarks in regard to it. If I were it would give me a very great deal of pleasure to do so, as I feel that there are few people who know more of the genuine worth of the staff of the Imperial Bank and who have received more kindness and courtesy from them than I have.

I do not know that I need add anything further, Mr. President, except to extend to the General Manager and the

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Assistant General Manager and the entire staff, our congratulations on the extraordinarily good statement made in what has been perhaps the most trying year that banks have had to contend with in some time. May I be permitted also, and this is entirely personal, to extend my very kindest regards to Sir James Woods, who will, I hope, be spared for very many years. I have very great pleasure in seconding the motion. (Applause.)

THE PRESIDENT: I put the motion with a great deal of pleasure, for surely the staff of this Bank deserves considerable thanks. If anybody deserves them, they do, they have done splendidly.

The motion was carried, amid great applause.

We will call upon Mr. H. T. Jaffray, our most efficient Assistant General Manager, of whom I have the very highest possible opinion, to reply to this.

MR. H. T. JAFFRAY: Mr. President and Gentlemen, it gives me a great deal of pleasure to acknowledge to you and the mover and seconder of this motion the thanks to myself and the staff and the very kind things they have said. As a member of the Executive I know how hard the staff and the branches work during the year and the splendid work they have done, and I am sure this vote will be very much appreciated.

THE PRESIDENT: I will also ask Mr. Gilliland, who is our Manager for Regina, to say a few words.

MR. W. L. GILLILAND: Mr. President and Gentlemen, in view of economic conditions, the Annual Statements are most satisfactory and your Staff appreciate fully the vote of thanks so sincerely extended to them. The Statements, however, do more than reflect the business of the past fiscal year. To my mind they reflect the sound, sane judgment of our executives and the wise counsel of our Directors during the past several years, and if thanks are due to the Staff, they in turn must express their appreciation to the Executive and Directorate for their wise guidance during those previous years in which credit was expanded and speculation rife.

MR. R. ROSS: Gentlemen, I beg to move, seconded by Mr. A. E. Ferrie, that the ballot box be now opened and remain open until two o'clock this day for the reception of

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ballot papers for the election of eleven Directors, the poll to close as soon as five minutes have elapsed without a vote being tendered.

MR. A. E. FERRIE: I beg to second the motion.

The President put the motion, which was declared carried.

The Ballot having been taken the Scrutineers reported the following Shareholders duly elected as Directors:—Frank A. Rolph, Col. J. F. Michie, R. S. Waldie, George C. Heintzman, J. W. Hobbs, Walter C. Laidlaw, John A. Northway, A. E. Phipps, G. H. Aikins, K.C., H. E. Sellers, R. O. McCulloch.

The meeting then adjourned.

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